

BILL RICHARDSON Governor DIANE DENISH Lieutenant Governor

NEW MEXICO ENVIRONMENT DEPARTMENT

Ground Water Quality Bureau

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RON CURRY Secretary CINDY PADILLA Deputy Secretary

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

November 20, 2007

Mr. Timothy E. Eastep, Manager Environment, Land & Water Chino Mines Company P.O. Box 7 Hurley, New Mexico 88043

RE:

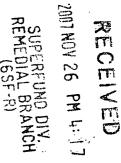
Conditional Approval of the Interim Removal Action Work Plan Smelter/Tailing Soils Investigation Unit (S/TSIU) Chino Administrative Order on Consent (AOC)

Dear Mr. Eastep:

The Ground Water Quality Bureau of the New Mexico Environment Department (NMED) received the Chino Mines Company (Chino) response letter, to the NMED comment letter dated October 24, 2007, by email on November 9, 2007 and by Certified mail on November 14, 2007. The Chino responses were reviewed by NMED staff and discussed during a scheduled Technical Group conference call on November 13, 2007. Chino will revise the Work Plan as per that telephone conversation and submit a revised Work Plan to NMED.

This letter is written as Conditional Approval of the Interim Removal Action Work Plan. Chino shall comply with the conditions listed below:

- 1. Chino shall work with NMED and New Mexico Department of Transportation (NMDOT) to satisfactorily remove soil with elevated levels of copper from NMDOT property, then regrade and vegetate as per NMDOT requirements, along Highway 180;
- 2. Chino shall use the north and west reference areas of the S/TSIU Amendment Study to determine if seeded and/or natural revegetation of the removal areas is successful. If the vegetation success rate is less than fifty (50) percent cover/density/diversity after two (2) years Chino shall rip, if necessary, and reseed those areas prior to the next rainy season; and
- 3. Chino shall provide a detailed map of the area which Chino considers an "operational" area currently defined as the S/TSIU.



NMED understands that Chino will propose a modification to Discharge Plan, DP-214, to incorporate operational areas adjacent to the railroad spur west of the former Hurley smelter.

The NMED looks forward to beginning this project with the purpose of the AOC in mind, "... to protect public health and welfare and the environment"

If you have any questions you may contact me at 388-1934.

Sincerely,

Phil Harrigan, Chino AOC Project Manager Mining Environmental Compliance Section Ground Water Quality Bureau New Mexico Environment Department Silver City Field Office

Cc: Mary Ann Menetrey, NMED
Jerry Schoeppner, NMED
Kevin Myers, NMED
Mark Purcell, USEPA
Rosemary Mattuck, Gradient Corp.
Mark Lewis, NewFields Boulder, LLC